

# Workforce News



A quarterly publication of the Department of Workforce Services; issued Sept., 2008

**Wasatch Front South: Salt Lake, Tooele**

**jobs.utah.gov**



## Strong Wage Growth in 2007

### Inside:

- ✦ Salt Lake: Gradual slowing in job growth continues except in construction, which is shedding jobs
- ✦ Tooele: Job growth stagnant overall; unemployment increases from historic lows



Contact the author, your regional economist, with any questions on content:

Jim Robson  
801-526-9626  
jrobson@utah.gov

The pace of economic expansion peaked in Salt Lake and Tooele counties at the beginning of 2007 and cooled gradually from a 4.6 year-over-year job growth rate in January to end the year with 2.6 percent more jobs in December of 2007 than in December 2006. The labor market saw a 2007 average increase of 22,200 nonfarm payroll jobs, averaging a growth rate of 3.7 percent over the 2006 job count.

The level of unemployment decreased from the annual average rate of 2.9 percent in 2006 to average 2.6 percent in 2007. The unemployment rate started 2007 at the extremely low rate of 2.3 percent and ended the year at 3.0 percent in Salt Lake and Tooele counties.

With jobs relatively plentiful and unemployment still very low in 2007, economists characterize the labor market as fully employed. (Unemployment will never be zero. There is always turnover of people moving in and out of the labor market and there is an imperfect match between the skills expanding industries

*(continued)*

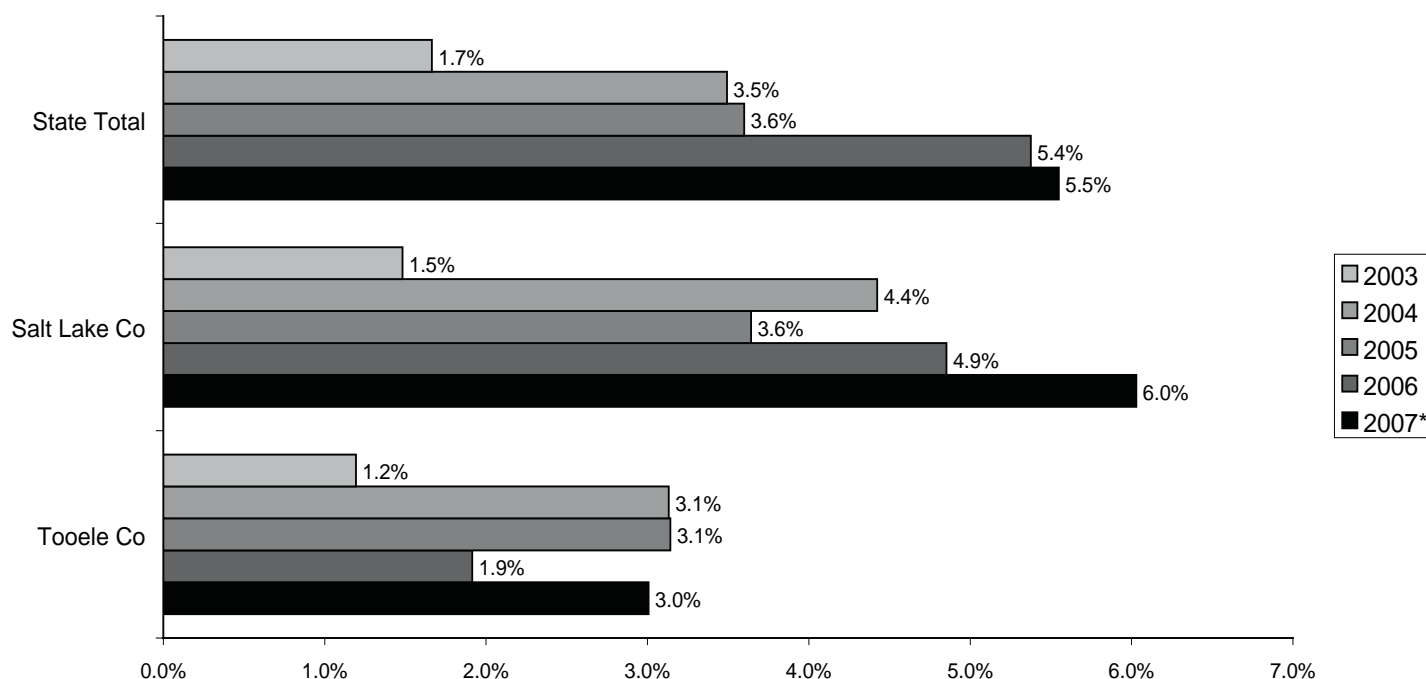


See the wealth of information at our Employer Resource Center Web page: <http://jobs.utah.gov/employer/resource>

# Strong Wage Growth in 2007

(continued)

## Growth in Nonfarm Average Monthly Wage



\* 2007 preliminary

Source: Utah Department of Workforce Services.

need and the skills of the labor force.)

In the midst of such a tight labor market, many businesses found it necessary to compete for the available workers. When the demand for labor exceeds supply, its price—wages—will increase.

As would be expected, the average monthly wage for all payroll jobs in Salt Lake County has been increasing rapidly in recent years as the economy has strengthened. Average monthly wages increased by a healthy six percent in 2007 compared to 2006. Consumer price inflation grew by 2.9 percent over this same period.

In Tooele County, wage growth showed a much lower increase of three percent in 2007. About two-thirds of the job growth within Tooele County during 2006 occurred in retail trade and in leisure and hospitality—industries with relatively low pay and a greater share of part-time

work hours. Remember that between 40 and 50 percent of employed Tooele County residents commute to work in Salt Lake County and benefit from the higher wage growth seen there.

During 2008, the rate of job growth continues to moderate, with substantial job losses in construction and slower job growth in most industries.

## Check it Out

### New wage data just released!

See it on [jobs.utah.gov/wi](http://jobs.utah.gov/wi)  
click on the blue UEDV icon then click on  
Utah Occupational Wages

# MotorFest

October 7 & 8, 2008

**SLCC Miller Campus**  
**9750 South 300 West**  
**Sandy, UT**

**Student tours from 8 am – 2 pm each day.**

## MotorFest Steers Utah Students towards the Road to Success

It is no secret; there is a serious shortage of skilled automotive and diesel technicians in Utah. It is projected that there will be over 18,000 job openings between 2006 and 2016.

Technicians are in such short supply because American teenagers and their parents mistakenly believe that the automotive industry is only an option for people with less education, limited skills, and no ambition. They think that the automotive industry offers low wages with no opportunities for a "real" career or success. Nothing could be further from the truth.

Automotive is one of Utah's fast-growing industries, offering competitive wages, state-of-the-art technical work environments, and challenging work that requires solid technical skills and in-depth post-secondary training.

MotorFest is a public/private partnership designed to provide more than 4,000 local high school and junior high school students with hands-on exposure to the diverse and exciting careers in the automotive/diesel industry.

Through interactive displays and professional demonstrations students will explore:

- Automotive, diesel, motorcycle, and small engine repair
- Collision repair
- Diesel and related occupations
- NATEF and ICAR certifications
- Internship and registered apprenticeships
- Career and training resources



Now is the time to get involved! This is your opportunity to educate students, parents and educators about today's advancing industry and help dispel old myths and stereotypes.

## Be a Sponsor, Be an Exhibitor, Be a Volunteer.

Visit our web site [www.uen.org/motorfest](http://www.uen.org/motorfest).

For additional information, contact Debby Nordfelt, [dnordfelt@utah.gov](mailto:dnordfelt@utah.gov), 801 526-9275.





# Workforce Development = Economic Development

## Partnerships in Action

In recent years, the Department of Workforce Services has successfully partnered with industry and education in workforce development activities and building talent pipeline initiatives. These partnerships have resulted in millions of federal dollars being brought into Utah to train current and future workers in some of Utah's fast growing industries such as advanced composites, mechatronics, biotechnology, biomanufacturing, healthcare, and energy.

New and expanding education and training programs resulting from recent partnerships include:

### Composites Materials Technology

Davis Applied Technology College

Partners: ATK Space Systems, Hexcel, EDO Fiber Science, Radius Engineering, Technology Marketing, TCB Composites Company, Governor's Office of Economic Development (GOED), Davis School District, Salt Lake Community College (SLCC), Southern Utah University, Weber State University, Hill Air Force Base and LDS Employment Resource Services

### Mechatronics

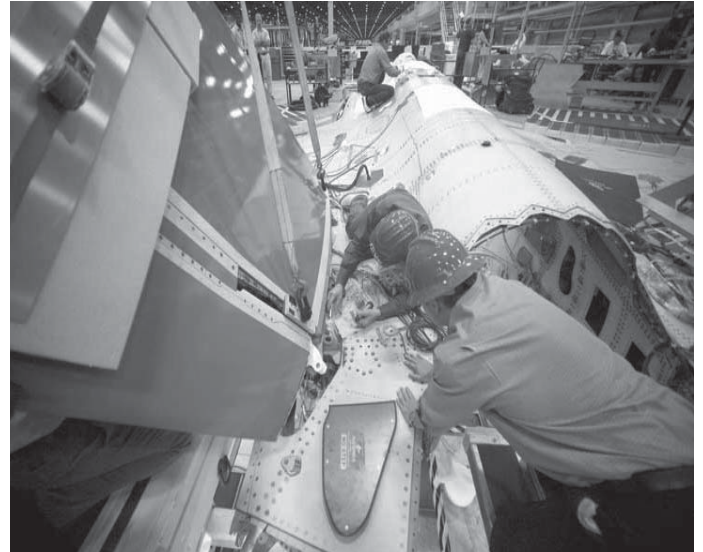
Utah Valley University

Partners: IM Flash Technologies, Setpoint Systems Inc, Utah Manufacturing Assn., Utah County Academy of Sciences and the Provo, Alpine, Wasatch, Park City, North Summit, Nebo and South Summit School Districts

### Biotechnology/Life Sciences

Governor's Office of Economic Development

Partners: ZARS, Merit Medical, Cephalon, ARUP, Pharmanex, Utah Clusters Team, Utah Science, Technology, Research Initiative, Utah Centers of Excellence, U of U, Utah State University, Utah Valley University, SLCC, Utah Technology Commission, Utah Technology Advisory Council, Utah Life Science Assn, Utah Women in Technology, Intermountain Biomedical Assn, Utah Medical Manufacturing Assn, Utah Natural Products Assn, InnovaBio, National Foundation, US Army Dugway Proving Grounds, Idaho Technology, the Leonardo and the Governor's Office of Economic Development



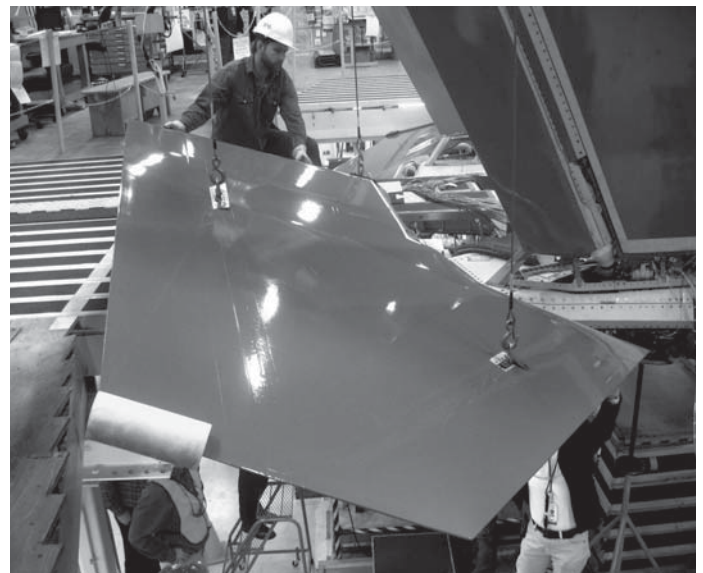
### Biomanufacturing

Salt Lake Community College

Granite Technical Institute

Partners: ZARS, Cephalon Utah Natural Product Alliance, Utah Technology Commission and Utah Biomedical Assn.

A trained workforce is the key to continued economic growth in Utah. Many opportunities exist for business to partner with education to provide and upgrade the skills of Utah's workforce that will take us into the 21<sup>st</sup> Century. For additional information or to become a partner, contact: Lynn Purdin, 801 526-9755, [lpurdin@utah.gov](mailto:lpurdin@utah.gov), or Melisa Stark, 801 776-7240, [mstark@utah.gov](mailto:mstark@utah.gov).



# County News

## Salt Lake County:

By the end of summer, 2008, economic conditions in Salt Lake County have slowed significantly, performing well below average. At the end of last year, job growth over the previous 12 months had slowed from 4.5 percent to 2.6 percent. Gradual slowing has continued with year-over job growth of just above one percent this past summer, adding only 6,000 new jobs compared to more than 24,000 additional jobs seen in the first quarter of 2007.

Slow employment growth is occurring among most major industrial sectors. Actual job losses are the order of the day in residential construction and related industries. The end of the residential construction boom, tight credit, and high energy and food prices are all contributing to this economic slowdown. Two industries, however, are generating many new jobs compared to year-ago levels—healthcare and professional, scientific, and technical services.

The unemployment rate has increased as a result of the slowing economy. During the summer of 2007 there were about 14,250 Salt Lake County residents unemployed or 2.6 percent of the labor force; this has increased to 17,535 or 3.1 percent for June 2008.

## Tooele County:

During the first half of 2008, year-over increases in jobs stopped, as job losses were recorded in construction and related industries. It is a mixed bag, as job growth continues to be strong for professional, scientific and technical services, healthcare, recreation, and public education.

With overall stagnant job growth, unemployment has also increased in Tooele County. There were 998 residents unemployed in June 2008 compared to 780 in June 2007, with the unemployment rate increasing from 2.9 percent to 3.6 percent.

## What's Up?

✦ Home sales along the Wasatch Front have plummeted compared with last year, but prices have yet to follow. In Salt Lake County, 28 percent fewer homes changed hands in the second quarter, compared with last year, yet the county's median selling price overall has fallen only 1.6 percent over the past year.

*-The Salt Lake Tribune*

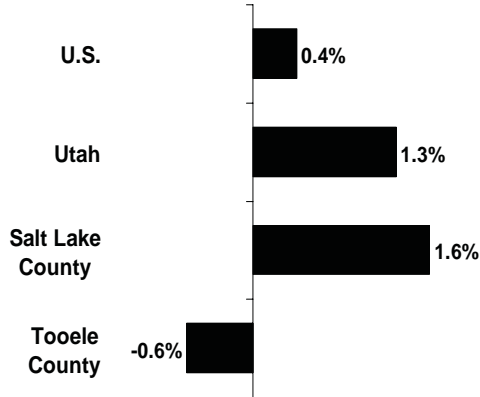
✦ Home sales are down across the state and nowhere are they falling further than Tooele County. Home sales in Tooele County fell 36 percent in the second quarter of 2008 compared to the second quarter of 2007. For the same period, median sales prices declined 6 percent to \$183,300—again the largest drop of the five counties reported by the Salt Lake Board of Realtors.

*-Tooele Transcript Bulletin*

✦ There is more elbowroom on Utah and America's freeways as commuters turn to mass transit and other cures for \$4-a-gallon gasoline. Traffic on the nation's roads fell 3.7 percent in May from the same month a year ago, the third-largest monthly drop in 66 years of record keeping. An even bigger share of Utahns parked their cars, the Federal Highway Administration reported. Utahns drove a collective 2.13 billion miles in May, down 4.4 percent, or 97 million miles, from May 2007.

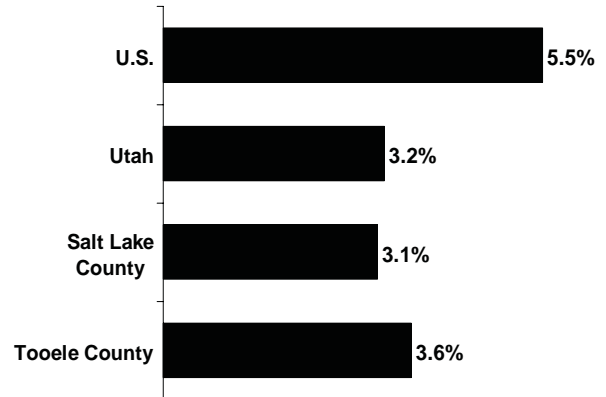
*-The Salt Lake Tribune*

### Year-over Change in Nonfarm Jobs March 2007 to March 2008



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

### Seasonally Adjusted Unemployment Rate June 2008



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

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